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SIPDIS

DEPT FOR SCA/FO, SCA/RA, SCA/A and EEB/CBA
COMMERCE FOR LEWIS-KHANNA, LOOP

E.O. 12958 N/A

TAGS: [BEXP](#) [ENRG](#) [EFIN](#) [AF](#)

SUBJECT: GE Advocacy Request: Afghan Bidding Process Suspended

REF: Lewis-Khanna/Wilson Email DTD 10/19

¶1. Responding to a request from the Department of Commerce's Trade Advocacy Center, Embassy Kabul has confirmed the bona fides of two international firms. The companies, ANHAM LLC and AIP LLC, have formed a joint venture to sub-contract a \$10.9 million generator set to General Electric's Marine and Stationary Diesel Power Division.

¶2. The Afghanistan Investment Support Agency (AISA) solicited bids in July, 2009 for an 18 megawatt diesel generator power plant as part of a planned World Bank-funded Industrial Park in Hissar-e-Shahi near Jalalabad. World Bank blueprints for the park require self-sustained utilities, including power, water supply, roads, and waste/wastewater treatment. AIP-ANHAM's bid on the power plant procurement was ranked second in price.

¶3. On October 27, Commercial Officer met with ANHAM Deputy Managing Director Kabir Arghandiwal and confirmed ANHAM, which is partially American-owned, holds contracts with U.S. Department of Defense, Overseas Private Investment Corporation (OPIC), and USAID. We have found no derogatory information on ANHAM or its joint venture partner AIP.

¶4. Arghandiwal reported that although AISA had begun conducting technical evaluations of the bids, the procurement process was now on hold and will likely be rebid at a future date. AISA offered no explanation for the potential rebid. Arghandiwal expects AIP-ANHAM to participate in a second bidding round.

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